

REPORT OF THE COMMISSION STAFF
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 98-362-W/S
RIVER PINES WATER SYSTEMS, INC.

REPORT OF THE ACCOUNTING DEPARTMENT
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

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REPORT OF THE ACCOUNTING DEPARTMENT
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 98-362-W/S
RIVER PINES WATER SYSTEMS, INC.

SYNOPSIS

Amount Requested - Combined-----	\$23,760
Amount Requested - River Pines Water-----	\$4,071
Amount Requested - Wood Forest Water-----	\$13,045
Amount Requested - Wood Forest Sewer-----	\$6,644
Operating Margins:	
Per Books - Combined-----	10.56%
Per Books - River Pines Water-----	21.10%
Per Books - Wood Forest Water-----	22.97%
Per Books - Wood Forest Sewer-----	-19.21%
As Adjusted - Combined-----	-19.06%
As Adjusted - River Pines Water-----	12.89%
As Adjusted - Wood Forest Water-----	-37.27%
As Adjusted - Wood Forest Sewer-----	-14.17%
After Proposed Increase - Combined-----	11.56%
After Proposed Increase - River Pines Water-----	29.75%
After Proposed Increase - Wood Forest Water-----	4.32%
After Proposed Increase - Wood Forest Sewer-----	11.81%

REPORT OF THE ACCOUNTING DEPARTMENT
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 98-362-W/S
RIVER PINES WATER SYSTEMS, INC.

ANALYSIS

The Accounting Department Staff has performed a review of the Application of River Pines Water Systems, Inc. (hereinafter referred to as the Company) along with certain of its accounting records relative to the Company's application to increase certain of its rates and charges under Docket No. 98-362-W/S.

The Company is a water and sewer utility operating in the State of South Carolina. The Company furnishes water to residential customers in the River Pines subdivision and water and sewer to residential customers in the Wood Forest subdivision.

The Company's home office is located in Rock Hill, S.C in the County of York.

In the present application, the Company requested additional revenues of \$17,059 for water operations and \$7,468 for sewer operations. Staff calculated the requested increases to be \$17,116 for water and \$6,644 for sewer.

The Operating margins, after the effects of accounting and pro forma adjustments were computed by the Staff to be (19.06%) for combined operations, 12.89% for River Pines Water, only, (37.27)% for Wood Forest Water, only, and (14.17)% for Wood Forest Sewer, only. After revenues were adjusted for the proposed increases such Operating Margins increased to 11.56% for combined operations, consisting of a 29.75% for River Pines Water, 4.32% for Wood Forest Water and 11.81% for Wood Forest Sewer.

The Staff's exhibits relative to the Company's application are as follows:

**EXHIBIT A: OPERATING EXPERIENCE AND OPERATING MARGIN -
COMBINED**

Detailed in this Staff exhibit is the Company's Operating Experience and Operating Margins on a combined bases for the test year ended October 31, 1997 and the accounting and pro forma adjustments which are necessary to correct or normalize the Company's test year operations both before and after the effect of the requested increase.

Utilizing a per book income of \$7,100 and revenues of \$67,244 Staff computed an operating margin on per book operations of 10.56%. Accounting and pro forma adjustments decreased Operating Income resulting in a decrease in the Operating Margin to a negative 19.06%. After the Staff adjusted operations for the requested increase the Operating Margin increases to 11.56%.

**EXHIBIT A-B: OPERATING EXPERIENCE AND OPERATING MARGIN -
RIVER PINES WATER**

Detailed in this Staff exhibit is the Operating Experience and Operating Margins of River Pines Water for the test year ended October 31, 1997 and the accounting and pro forma adjustments which are necessary to correct or normalize the test year operations both before and after the effect of the requested increase. Utilizing per book income of \$3,122 and revenues of \$14,795 Staff computed an operating margin on per book operations of 21.10%. Pro forma adjustments decreased Operating Income resulting in a decrease in the Operating Margin to 12.89%. After the Staff adjusted operations for the requested increase the Operating Margin increases to 29.75%.

**EXHIBIT A-C: OPERATING EXPERIENCE AND OPERATING MARGIN -
WOOD FOREST WATER**

Detailed in this Staff exhibit is the Operating Experience and Operating Margins for Wood Forest Water for the test year ended October 31, 1997 and the accounting and pro forma adjustments which are necessary to correct or normalize the test year operations both before and after the effect of the requested increase. Utilizing a per book income of \$7,685 and revenues of \$33,460 Staff computed an operating margin on per book operations of 22.97%. Pro forma adjustments decreased Operating Income resulting in a decrease in the Operating Margin to a negative 37.27%. After the Staff adjusted operations for the requested increase the Operating Margin increases to 4.32%.

**EXHIBIT A-D: OPERATING EXPERIENCE AND OPERATING MARGIN -
WOOD FOREST SEWER**

Detailed in this Staff exhibit is the Operating Experience and Operating Margins for Wood Forest Sewer for the test year ended October 31, 1997 and the accounting and pro forma adjustments which are necessary to correct or normalize the test year operations both before and after the effect of the requested increase. Utilizing a per book loss of \$3,648 and revenues of \$18,989 Staff computed an operating margin on per book operations of a negative 19.21%. Pro forma adjustments increased Operating Income resulting in an increase in the Operating margin to a negative 14.17%. After the Staff adjusted operations for the requested increase the Operating Margin increases to 11.81%.

EXHIBIT A-1: ACCOUNTING AND PRO FORMA ADJUSTMENTS

Detailed in this exhibit are the accounting and pro forma adjustments and each adjustment made necessary as a result of the proposed increase.

EXHIBIT A-2B: CUSTOMER GROWTH - RIVER PINES WATER

The Staff's computation of the Company's customer growth factor for the River Pines Water system is shown in this exhibit. The Staff computed a growth factor of 0.00% for the test year.

EXHIBIT A-2C: CUSTOMER GROWTH - WOOD FOREST WATER

The Staff's computation of the Company's customer growth factor for the Wood Forest Water system is shown in this exhibit. The Staff computed a growth factor of 0.77% for the test year.

EXHIBIT A-2D: CUSTOMER GROWTH – WOOD FOREST SEWER

The Staff's computation of the Company's customer growth factor for the Wood Forest Sewer system is shown in this exhibit. The Staff computed a growth factor of 0.97% for the test year.

River Pines Water Systems
Operating Experience and Operating Margin
Test Year Ended 10-31-97

Combined

Description	(1) Per Books \$	(2) Accounting & Pro Forma Adjustments \$	(3) As Adjusted \$	(4) Proposed Increase \$	(5) After Proposed Increase \$
Operating Revenues	67,244	(6,087) (1)	61,157	23,760 (4)	84,917
Operating and Maintenance Expenses	38,710	12,670 (2)	51,380	0	51,380
General and Administrative Expenses	13,804	0	13,804	0	13,804
Depreciation Expense	5,342	0	5,342	0	5,342
Taxes Other Than Income	2,288	0	2,288	0	2,288
State and Federal Income Taxes	0	0 (3)	0	2,330 (5)	2,330
Total Operating Expenses	60,144	12,670	72,814	2,330	75,144
Net Operating Income	7,100	(18,757)	(11,657)	21,430	9,773
Customer Growth	0	0	0	44	44
Net Income For Return	7,100	(18,757)	(11,657)	21,474	9,817
Operating Margin	<u>10.56%</u>		<u>-19.06%</u>		<u>11.56%</u>

River Pines Water Systems
Operating Experience and Operating Margin
Test Year Ended 10-31-97

River Pines - Water

Description	(1) Per Books	(2) Accounting & Pro Forma Adjustments	(3) As Adjusted	(4) Proposed Increase	(5) After Proposed Increase
	\$	\$	\$	\$	\$
Operating Revenues	14,795	(2,478) (1)	12,317	4,071 (4)	16,388
Operating and Maintenance Expenses	7,576	(1,323) (2)	6,253	0	6,253
General and Administrative Expenses	3,211	0	3,211	0	3,211
Depreciation Expense	558	0	558	0	558
Taxes Other Than Income	328	0	328	0	328
State and Federal Income Taxes	0	379 (3)	379	784 (5)	1,163
Total Operating Expenses	11,673	(944)	10,729	784	11,513
Net Operating Income	3,122	(1,534)	1,588	3,287	4,875
Customer Growth (Exh. A-2B)	0	0	0	0	0
Net Income For Return	3,122	(1,534)	1,588	3,287	4,875
Operating Margin	<u>21.10%</u>		<u>12.89%</u>		<u>29.75%</u>

River Pines Water Systems
Operating Experience and Operating Margin
Test Year Ended 10-31-97

Wood Forest - Water

Description	(1) Per Books \$	(2) Accounting & Pro Forma Adjustments \$	(3) As Adjusted \$	(4) Proposed Increase \$	(5) After Proposed Increase \$
Operating Revenues	33,460	(4,447) (1)	29,013	13,045 (4)	42,058
Operating and Maintenance Expenses	17,027	13,993 (2)	31,020	0	31,020
General and Administrative Expenses	6,215	0	6,215	0	6,215
Depreciation Expense	1,982	0	1,982	0	1,982
Taxes Other Than Income	610	0	610	0	610
State and Federal Income Taxes	0	0 (3)	0	429 (5)	429
Total Operating Expenses	25,834	13,993	39,827	429	40,256
Net Operating Income	7,626	(18,440)	(10,814)	12,616	1,802
Customer Growth (Exh. A-2C)	59	(59)	0	14	14
Net Income For Return	7,685	(18,499)	(10,814)	12,630	1,816
Operating Margin	<u>22.97%</u>		<u>-37.27%</u>		<u>4.32%</u>

River Pines Water Systems
Operating Experience and Operating Margin
Test Year Ended 10-31-97

Wood Forest - Sewer

Description	(1) Per Books \$	(2) Accounting & Pro Forma Adjustments \$	(3) As Adjusted \$	(4) Proposed Increase \$	(5) After Proposed Increase \$
Operating Revenues	18,989	838 (1)	19,827	6,644 (4)	26,471
Operating and Maintenance Expenses	14,107	0 (2)	14,107	0	14,107
General and Administrative Expenses	4,378	0	4,378	0	4,378
Depreciation Expense	2,802	0	2,802	0	2,802
Taxes Other Than Income	1,350	0	1,350	0	1,350
State and Federal Income Taxes	0	0 (3)	0	738 (5)	738
Total Operating Expenses	22,637	0	22,637	738	23,375
Net Operating Income	(3,648)	838	(2,810)	5,906	3,096
Customer Growth (Exh. A-2D)	0	0	0	30	30
Net Income For Return	(3,648)	838	(2,810)	5,936	3,126
Operating Margin	<u>-19.21%</u>		<u>-14.17%</u>		<u>11.81%</u>

River Pines Water Systems
Accounting and Pro Forma Adjustments
Test Year Ended 10-31-97

<u>Revenues and Expenses</u>	(1)	(2)	(3)
Description	Operating	O&M	Income
	Revenues	Expenses	Taxes
	\$	\$	\$
The Staff and Company propose to eliminate nonoperating revenues and expenses consisting of DHEC testing fees. (A)			
Per Staff - River Pines - Water	(2,478)	(1,323)	(222)
Per Staff - Wood Forest - Water	(4,447)	(5,602)	92
Per Staff - Wood Forest - Sewer	0	0	0
Per Staff - Combined	(6,925)	(6,925)	0
Per Company - River Pines - Water	(2,478)	(1,323)	0
Per Company - Wood Forest - Water	(4,447)	(5,602)	0
Per Company - Wood Forest - Sewer	0	0	0
Per Company - Combined	(6,925)	(6,925)	0
Staff proposes to adjust revenue based on corrected billing units. (U)			
Per Staff - River Pines - Water	0		0
Per Staff - Wood Forest - Water	0		0
Per Staff - Wood Forest - Sewer	838		0
Per Staff - Combined	838		61
Per Company - River Pines - Water	0		0
Per Company - Wood Forest - Water	0		0
Per Company - Wood Forest - Sewer	0		0
Per Company - Combined	0		0
Staff and Company propose to reduce the expense for purchased power to reflect the purchase of water from the city of Rock Hill beginning in October of 1998 for the Wood Forest Subdivision. (A)			
Per Staff - River Pines - Water		0	0
Per Staff - Wood Forest - Water		(5,666)	451
Per Staff - Wood Forest - Sewer		0	0
Per Staff - Combined		(5,666)	413
Per Company - River Pines - Water		0	0
Per Company - Wood Forest - Water		(5,666)	0
Per Company - Wood Forest - Sewer		0	0
Per Company - Combined		(5,666)	0

River Pines Water Systems
Accounting and Pro Forma Adjustments
Test Year Ended 10-31-97

Revenues and Expenses

Description	(1) Operating Revenues \$	(2) O&M Expenses \$	(3) Income Taxes \$
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Staff and Company propose to reduce the expense for contracted maintenance to reflect the purchase of water from the city of Rock Hill beginning in October of 1998 for the Wood Forest Subdivision. (A)

Per Staff - River Pines - Water		0	0
Per Staff - Wood Forest - Water		(1,900)	151
Per Staff - Wood Forest - Sewer		0	0
Per Staff - Combined		(1,900)	138
Per Company - River Pines - Water		0	0
Per Company - Wood Forest - Water		(1,900)	0
Per Company - Wood Forest - Sewer		0	0
Per Company - Combined		(1,900)	0

Staff and Company propose to increase the expense for purchased water to reflect the purchase of water from the city of Rock Hill beginning in October of 1998 for the Wood Forest Subdivision. (U/A)

Per Staff - River Pines - Water		0	0
Per Staff - Wood Forest - Water		27,161	(2,162)
Per Staff - Wood Forest - Sewer		0	0
Per Staff - Combined		27,161	(1,979)
Per Company - River Pines - Water		0	0
Per Company - Wood Forest - Water		27,161	0
Per Company - Wood Forest - Sewer		0	0
Per Company - Combined		27,161	0

River Pines Water Systems
Accounting and Pro Forma Adjustments
Test Year Ended 10-31-97

Revenues and Expenses

Description	(1) Operating Revenues \$	(2) O&M Expenses \$	(3) Income Taxes \$
Staff proposes to true-up "Per Books" income taxes. (A)			
Per Staff - River Pines - Water			601
Per Staff - Wood Forest - Water			1,468
Per Staff - Wood Forest - Sewer			0
Per Staff - Combined			1,367
Per Company - River Pines - Water			0
Per Company - Wood Forest - Water			0
Per Company - Wood Forest - Sewer			0
Per Company - Combined			0
Total Per Staff - River Pines - Water	(2,478)	(1,323)	379
Total Per Staff - Wood Forest - Water	(4,447)	13,993	0
Total Per Staff - Wood Forest - Sewer	838	0	0
Total Per Staff - Combined	(6,087)	12,670	0

(A) Direct all questions to the Accounting Departments Witness

(U) Direct all questions to the Utilities Department Witness

River Pines Water Systems
Accounting and Pro Forma Adjustments
Test Year Ended 10-31-97

Proposed Increase

Description	(4) Operating Revenues \$	(5) Income Taxes \$
The Staff and Company propose to record the effects of the proposed increase to metered and unmetered sales. (U)		
Per Staff - River Pines - Water	4,044	
Per Staff - Wood Forest - Water	13,014	
Per Staff - Wood Forest - Sewer	6,631	
Per Staff - Combined	23,689	
Per Company - River Pines - Water	4,044	
Per Company - Wood Forest - Water	13,015	
Per Company - Wood Forest - Sewer	7,468	
Per Company - Combined	24,527	
Staff proposes to increase the late payment charges for the effects of the proposed increase to metered and unmetered sales. (U)		
Per Staff - River Pines - Water	27	
Per Staff - Wood Forest - Water	31	
Per Staff - Wood Forest - Sewer	13	
Per Staff - Combined	71	
Per Company - River Pines - Water	0	
Per Company - Wood Forest - Water	0	
Per Company - Wood Forest - Sewer	0	
Per Company - Combined	0	
Staff proposes to show the tax effect of the proposed increase. (A)		
Per Staff - River Pines - Water		784
Per Staff - Wood Forest - Water		429
Per Staff - Wood Forest - Sewer		738
Per Staff - Combined		2,330
Per Company - River Pines - Water		0
Per Company - Wood Forest - Water		0
Per Company - Wood Forest - Sewer		0
Per Company - Combined		0
Total Per Staff - River Pines - Water	4,071	784
Total Per Staff - Wood Forest - Water	13,045	429
Total Per Staff - Wood Forest - Sewer	6,644	738
Total Per Staff - Combined	23,760	2,330

River Pines Water Systems
Customer Growth Computation
Test Year Ended 10-31-97

River Pines - Water

Description	Per Books	As Adjusted	After Increase
	\$	\$	\$
Net Operating Income	3,122	1,588	4,875
Growth Factor	-0-	-0-	-0-
Customer Growth	-0-	-0-	-0-

Number of Customers:

Beginning	70
Ending	70
Average	70

$$\text{Customer Growth Factor} = \frac{\text{Ending Customers} - \text{Average Customers}}{\text{Average Customers}}$$

$$\text{Customer Growth Factor} = \frac{70 - 70}{70}$$

$$\text{Customer Growth Factor} = \underline{\underline{-0-}}$$

River Pines Water Systems
Customer Growth Computation
Test Year Ended 10-31-97

Wood Forest - Water

Description	Per Books	As Adjusted	After Increase
	\$	\$	\$
Net Operating Income	7,626	(10,814)	1,802
Growth Factor	0.77%	0.77%	0.77%
Customer Growth (See Note)	59	-0-	14

Number of Customers:

Beginning	128
Ending	131
Average	130

$$\text{Customer Growth Factor} = \frac{\text{Ending Customers} - \text{Average Customers}}{\text{Average Customers}}$$

$$\text{Customer Growth Factor} = \frac{131 - 130}{130}$$

$$\text{Customer Growth Factor} = \underline{\underline{0.77\%}}$$

Note: Staff does not recognize negative "Customer Growth"

River Pines Water Systems
Customer Growth Computation
Test Year Ended 10-31-97

Wood Forest - Sewer

Description	Per Books	As Adjusted	After Increase
	\$	\$	\$
Net Operating Income	(3,648)	(2,810)	3,096
Growth Factor	0.97%	0.97%	0.97%
Customer Growth (See Note)	-0-	-0-	30

Number of Customers:

Beginning	101
Ending	104
Average	103

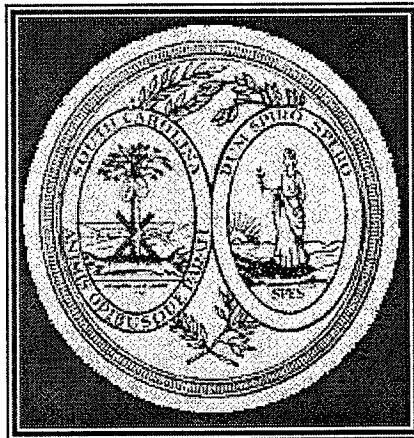
$$\text{Customer Growth Factor} = \frac{\text{Ending Customers} - \text{Average Customers}}{\text{Average Customers}}$$

$$\text{Customer Growth Factor} = \frac{104 - 103}{103}$$

$$\text{Customer Growth Factor} = \underline{\underline{0.97\%}}$$

Note: Staff does not recognize negative "Customer Growth"

REPORT
OF
UTILITIES DEPARTMENT
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA



RIVER PINES WATER SYSTEM, INC.

DOCKET 98-362-W/S

UTILITIES DEPARTMENT REPORT

River pines water system, inc.

DOCKET 98-362-W/S

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PART A
UTILITIES DEPARTMENT

EXHIBIT NO. 1

SUMMARY OF RATES AND CHARGES

The Company's present rates and charges were approved by this Commission by Order No. 88-335, dated March 30, 1988, in Docket No. 87-407-W/S.

The Company's proposed rates and charges were filed with this Commission on August 25, 1998.

SCHEDULE OF PRESENT RATES

<u>Gallons Over</u>	<u>But Not Over</u>	<u>Water</u>	<u>Sewer</u>
0	1,999	\$ 6.00	\$16.10
2,000	2,999	\$ 6.60	\$16.10
3,000	3,999	\$ 8.40	\$16.10
4,000	4,999	\$10.20	\$16.10
5,000	5,999	\$12.00	\$16.10
6,000	6,999	\$13.80	\$16.10
7,000	7,999	\$15.60	\$16.10
8,000	8,999	\$17.40	\$16.10
9,000	9,999	\$19.20	\$16.10
10,000	10,999	\$21.00	\$16.10
11,000	11,999	\$22.80	\$16.10
12,000	12,999	\$24.60	\$16.10

\$24.60 plus \$1.80 per 1,000 gallons used in excess of 13,000

Water Reconnect Fee - \$25.00

PROPOSED RATE SCHEDULE

WATER

River Pines Subdivision

Base Charge - \$6.00 plus \$1.98 per 1000 gallons for all gallons used.

Wood Forest Subdivision

Base Charge - \$6.00 plus \$2.43 per 1000 gallons for all gallons used.

SEWER

Flat Rate - \$21.50

RECONNECT FEE

Each Connection - \$25.00

PART B
UTILITIES DEPARTMENT
EXHIBIT NO. 2

EFFECT OF PROPOSED RATES ON REVENUE

The requested rates will produce \$23,760.01 in additional revenue for an overall increase of 38.85%.

WATER

River Pines

<u>Present Rev.</u>	<u>Proposed Rev.</u>	<u>Am't of Increase</u>	<u>% of Increase</u>
\$12,317.45	\$16,388.37	\$4,070.92	33.05%

Wood Forest

<u>Present Rev.</u>	<u>Proposed Rev.</u>	<u>Am't of Increase</u>	<u>% of Increase</u>
\$29,013.43	\$42,058.32	\$13,044.89	44.95%

SEWER

Wood Forest

<u>Present Rev.</u>	<u>Proposed Rev.</u>	<u>Am't of Increase</u>	<u>% of Increase</u>
\$19,827.06	\$26,471.26	\$6,644.20	33.51%

TOTAL WATER & SEWER

<u>Present Rev.</u>	<u>Proposed Rev.</u>	<u>Am't of Increase</u>	<u>% of Increase</u>
\$61,157.94	\$84,917.95	\$23,760.01	38.85%

PART C
UTILITIES DEPARTMENT

EXHIBIT NO. 3

**EFFECT OF PROPOSED INCREASE ON
CUSTOMER'S AVERAGE BILL**

WATER

	<u>Average Consumption</u>	<u>Present Bill</u>	<u>Proposed Bill</u>	<u>Amount of Increase</u>	<u>Percent Increase</u>
<u>River Pines</u>	6,758	\$13.80	\$19.38	\$5.58	40.43%
<u>Wood Forest</u>	8,660	\$17.40	\$27.04	\$9.64	55.50%

SEWER

	<u>Average Consumption</u>	<u>Present Bill</u>	<u>Proposed Bill</u>	<u>Amount of Increase</u>	<u>Percent Increase</u>
<u>Wood Forest</u>	0	\$16.10	\$21.50	\$5.40	33.54%

PART D
UTILITIES DEPARTMENT
BUSINESS OFFICE COMPLIANCE REVIEW REPORT
EXHIBIT 4

UTILITY: River Pines Water System, Inc. **INSPECTOR:** Charles Creech

OFFICE: Rock Hill, SC **DATE:** 11/12/98

COMPANY REPRESENTATIVE: Jim Hix

IN COMPLIANCE
YES OR NO*

- YES 1. Are all records and reports available for examination in accordance with Rule R.103-710 and R.103-510?
- YES 2. Are complaint records maintained in accordance with Rule R.103-716 and R.103-516?
- YES 3. Are the utility's rates, its rules and regulations and its up-to-date maps and plans available for public inspection in accordance with Rule R.103-730 and R.103-530?
- YES 4. Has the Company verified the maps on file with the Commission include all the service area of the Company?
- YES 5. Are procedures established to assure that every customer making a complaint is made aware that the utility is under the jurisdiction of the South Carolina Public Service Commission and that the customer has the right to register the complaint in accordance with Rule R.103-730 and R.103-530?
- N/A 5. Are deposits charged within the limits established by Rule R.103-731 and R.103-531?
- YES 6. Are timely and accurate bills being rendered to customers in accordance with Rule R.103-733 and R.103-532?
- YES 7. Are bill forms in accordance with Rule R.103-732 and R.103-532?

- YES 8. Are adjustments of bills handled in accordance with Rule R.103-733 and R.103-533?
- YES 9. Is the policy for customer denial or discontinuance of service in accordance with Rule R.103-735 and R.103-535?
- YES 10. Are notices sent to customers prior to termination in accordance with Rule R.103-735 and R.103-535?
- YES 11. Are notices filed with the Commission of any violation of PSC or DHEC rules which effect service provided to its customers in accordance with rule R.103-714-C and R.103-414-C?
- YES 12. Does the utility have adequate means (Telephone, etc.) whereby each customer can contact the water and/or wastewater utility at all hours in cases of emergency or unscheduled interruptions or service in accordance with Rule R.103-730 and R.103-530?
- YES 13. Are records kept of any condition resulting in any interruption of service affecting its entire system or major division, including a statement of time, duration, and cause of such an interruption in accordance with Rule R.103-714 and R.103-514?
- YES 14. Has the utility advised the Commission, in accordance with Rule R.103-712 and R.103-512 of the name, title, address and telephone number of the person who should be contacted in connection with:
- (a) General management duties?
 - (b) Customer relations (complaints)?
 - (c) Engineering operations?
 - (d) Meter tests and repairs?
 - (e) Emergencies during non-office hours?
- YES 15. Has the Company verified the maps on file with the
- ___ 16. Number of customers the Company has at present.
- 70 River Pines customers
 - 104 Sewer customers
 - 131 Water customers

*A "NO" RESPONSE REQUIRES A NOTE IN THE COMMENT SECTION

COMMENTS: _____

PART E
UTILITIES DEPARTMENT
EXHIBIT NO. 5

**SUMMARY OF STAFF'S INSPECTION OF THE WATER AND
WASTEWATER SYSTEMS AND REVIEW OF SERVICE PROVIDED BY
RIVER PINES WATER SYSTEM, INC.**

On November 12th and 13th of 1998, personnel from the Public Service Commission of South Carolina conducted an inspection of the water and sewerage systems operated by River Pines Water System, Inc. The Company provides water service to approximately 200 customers and sewerage service to approximately 101 customers in two subdivisions near Rock Hill, South Carolina.

During the test year and two years prior, the Commission Staff received no service or billing complaints from customers of River Pines Water System, Inc. However, since the Notice of Filing was provided to the customers, Staff had received four (4) letters in opposition to the rate increase and one (1) Petition to Intervene.

The following pages are a summary of Staff's inspection of the facilities owned and operated by River Pines Water System, Inc.

WATER

UTILITY River Pines Water System, Inc. INSPECTED BY Charles A. Creech

SYSTEM River Pines - well #1 DATE INSPECTED 11/12/98

COMPANY REP Jim Hix

TOTAL NUMBER OF WELL SITES 2

NUMBER OF WELLS NOT IN OPERATION 0

REASON FOR INOPERABLE WELLS _____

PUMP HOUSES YES ☒ NO ☐ NUMBER 1

ELECTRIC WIRING ACCEPTABLE ☒ FAULTY ☐

EXPOSED PIPING YES ☐ NO ☒

LOCATION _____

CHLORINATOR YES ☐ NO ☒

OTHER CHEMICALS YES ☐ NO ☒

IN USE YES ☐ NO ☒

STORAGE PRESSURE TANK ☒ NON-PRESSURE TANK ☐

GROUND LEVEL ☒ OVERHEAD ☐

SIZE IN GALLONS 7500 - Well No. 1

P.S.I. AT TANK 60

METERS YES ☒ NO ☐

FIRE HYDRANTS YES ☐ NO ☒

AIR IN LINES YES ☐ NO ☒

SAND IN WATER YES ☐ NO ☒

CLARITY OF WATER Good

ODOR None

LEAKS YES ☐ NO ☒

LOCATION _____

NEW CONSTRUCTION YES ☐ NO ☐

HOUSES YES ☐ NO ☒

UTILITY YES ☐ NO ☒

FREQUENCY CHECKED BY OPERATOR Daily

APPROXIMATE NUMBER OF CUSTOMERS 70

LOCATION OF OFFICE 4464 Cypress Cove LOCATION OF SYSTEM York County

IS SYSTEM PROVIDED SEWER BY THIS UTILITY YES ☐ NO ☒

BY WHOM Septic Tanks

COMMENTS _____

WATER

UTILITY River Pines Water System, Inc. INSPECTED BY Charles A. Creech

SYSTEM River Pines - well #2 DATE INSPECTED 11/12/98

COMPANY REP Jim Hix

TOTAL NUMBER OF WELL SITES 2

NUMBER OF WELLS NOT IN OPERATION 0

REASON FOR INOPERABLE WELLS _____

PUMP HOUSES YES ☒ NO ☐ NUMBER 1

ELECTRIC WIRING ACCEPTABLE ☒ FAULTY ☐

EXPOSED PIPING YES ☐ NO ☒

LOCATION _____

CHLORINATOR YES ☐ NO ☒

OTHER CHEMICALS YES ☐ NO ☒

IN USE YES ☐ NO ☒

STORAGE PRESSURE TANK ☒ NON-PRESSURE TANK ☐

GROUND LEVEL ☒ OVERHEAD ☐

SIZE IN GALLONS 7500 - Well No. 1

P.S.I. AT TANK 65

METERS YES ☒ NO ☐

FIRE HYDRANTS YES ☐ NO ☒

AIR IN LINES YES ☐ NO ☒

SAND IN WATER YES ☐ NO ☒

CLARITY OF WATER Good

ODOR None

LEAKS YES ☐ NO ☒

LOCATION _____

NEW CONSTRUCTION YES ☐ NO ☐

HOUSES YES ☐ NO ☒

UTILITY YES ☐ NO ☒

FREQUENCY CHECKED BY OPERATOR Daily

APPROXIMATE NUMBER OF CUSTOMERS 70

LOCATION OF OFFICE 4464 Cypress Cove LOCATION OF SYSTEM York County

IS SYSTEM PROVIDED SEWER BY THIS UTILITY YES ☐ NO ☒

BY WHOM Septic Tanks

COMMENTS _____

WATER

UTILITY River Pines Water System, Inc. INSPECTED BY Charles A. Creech

SYSTEM Wood Forest - Well #5 DATE INSPECTED 11/12/98

COMPANY REP Jim Hix

TOTAL NUMBER OF WELL SITES 4

NUMBER OF WELLS NOT IN OPERATION 1

REASON FOR INOPERABLE WELLS Pump burned out

PUMP HOUSES YES ☒ NO ☐ NUMBER 4

ELECTRIC WIRING ACCEPTABLE ☒ FAULTY ☐

EXPOSED PIPING YES ☐ NO ☒

LOCATION _____

CHLORINATOR YES ☐ NO ☒

OTHER CHEMICALS YES ☐ NO ☒

IN USE YES ☐ NO ☒

STORAGE PRESSURE TANK ☒ NON-PRESSURE TANK ☐

GROUND LEVEL ☒ OVERHEAD ☐

SIZE IN GALLONS 7500 - Well No. 5

P.S.I. AT TANK 65

METERS YES ☒ NO ☐

FIRE HYDRANTS YES ☐ NO ☒

AIR IN LINES YES ☐ NO ☒

SAND IN WATER YES ☐ NO ☒

CLARITY OF WATER Good

ODOR None

LEAKS YES ☐ NO ☒

LOCATION _____

NEW CONSTRUCTION YES ☐ NO ☒

HOUSES YES ☐ NO ☒

UTILITY YES ☐ NO ☒

FREQUENCY CHECKED BY OPERATOR Daily

APPROXIMATE NUMBER OF CUSTOMERS 131

LOCATION OF SYSTEM 4464 Cypress Cove

IS SYSTEM PROVIDED SEWER BY THIS UTILITY YES ☒ NO ☐

BY WHOM _____

COMMENTS This system consists of 4 wells that feed into two 7500 gallon level pressure tanks. Well No. 2 & 5 are located in S/D and wells No. 3 & 4 are on land contiguous to S/D.

WATER

UTILITY River Pines Water System, Inc. INSPECTED BY Charles A. Creech

SYSTEM Wood Forest - Well #2 DATE INSPECTED 11/12/98

COMPANY REP Jim Hix

TOTAL NUMBER OF WELL SITES 4

NUMBER OF WELLS NOT IN OPERATION 1

REASON FOR INOPERABLE WELLS _____

PUMP HOUSES YES ☒ NO ☐ NUMBER 1

ELECTRIC WIRING ACCEPTABLE ☒ FAULTY ☐

EXPOSED PIPING YES ☐ NO ☒

LOCATION _____

CHLORINATOR YES ☐ NO ☒

OTHER CHEMICALS YES ☐ NO ☒

IN USE YES ☐ NO ☒

STORAGE PRESSURE TANK ☒ NON-PRESSURE TANK ☐

GROUND LEVEL ☒ OVERHEAD ☐

SIZE IN GALLONS 7500 - Well No. 2

P.S.I. AT TANK 65

METERS YES ☒ NO ☐

FIRE HYDRANTS YES ☐ NO ☒

AIR IN LINES YES ☐ NO ☒

SAND IN WATER YES ☐ NO ☒

CLARITY OF WATER Good

ODOR None

LEAKS YES ☐ NO ☒

LOCATION _____

NEW CONSTRUCTION YES ☐ NO ☒

HOUSES YES ☐ NO ☒

UTILITY YES ☐ NO ☒

FREQUENCY CHECKED BY OPERATOR Daily

APPROXIMATE NUMBER OF CUSTOMERS 131

LOCATION OF SYSTEM 4464 Cypress Cove

IS SYSTEM PROVIDED SEWER BY THIS UTILITY YES ☒ NO ☐

BY WHOM _____

COMMENTS _____

SEWERAGE

UTILITY River Pines Water System, Inc. INSPECTED BY Charles A. Creech
 SYSTEM Wood Forest DATE INSPECTED 11/12/98
 COMPANY REP Jim Hix

TYPE OF PLANT

MECHANICAL ✓ LAGOON

EXTENT OF TREATMENT	PRIMARY	<u> </u>	SECONDARY	<u>✓</u>	TERTIARY	<u> </u>
AERATORS	YES	<u>✓</u>	NO	<u> </u>		
CHLORINATOR	YES	<u>✓</u>	NO	<u> </u>		
OTHER CHEMICALS IN USE	YES	<u> </u>	NO	<u>✓</u>		
PLANT FENCED	YES	<u>✓</u>	NO	<u> </u>		
LOCKED	YES	<u>✓</u>	NO	<u> </u>		
WARNING SIGNS VISIBLE	YES	<u>✓</u>	NO	<u> </u>		
HOLES IN FENCE	YES	<u> </u>	NO	<u>✓</u>		
EROSION OF DIKES	YES	<u> </u>	NO	<u>✓</u>		
ODOR	YES	<u> </u>	NO	<u>✓</u>		
GRASS CUT	YES	<u>✓</u>	NO	<u> </u>		
DUCK WEED OR ALGAE	YES	<u> </u>	NO	<u>✓</u>		
GREASE BUILD-UP	YES	<u> </u>	NO	<u>✓</u>		
DEBRIS INSIDE PLANT	YES	<u> </u>	NO	<u>✓</u>		
COLOR OF EFFLUENT		<u>Clear</u>				
LIFT STATIONS	YES	<u> </u>	NO	<u>✓</u>	NUMBER	<u> </u>
FAILURE WARNING SYS.	YES	<u>✓</u>	NO	<u> </u>		
ELECTRIC WIRING	ACCEPTABLE	<u>✓</u>	FAULTY	<u> </u>		
OVERFLOWS	YES	<u> </u>	NO	<u>✓</u>		
LOCATION						
CONDITION OF ACCESS ROAD	GOOD	<u>✓</u>	BAD	<u> </u>		
NEW CONSTRUCTION	YES	<u> </u>	NO	<u>✓</u>		
HOUSES	YES	<u> </u>	NO	<u>✓</u>		
UTILITY	YES	<u> </u>	NO	<u>✓</u>		
NATURE						

FREQUENCY CHECKED BY OPERATOR 3 times a week

APPROXIMATE NUMBER OF CUSTOMERS 104

LOCATION OF UTILITY OFFICE 4464 Cypress Cove

IS SUBDIVISION PROVIDED WATER BY THIS UTILITY? YES ✓ NO

BY WHOM?

COMMENTS